

GOVERNOR'S OFFICE

AUSTIN, TEXAS,
March 30, 1923.

Hon. S. L. Staples
Secretary of State
Capitol Building
Austin, Texas

Dear Mr. Secretary:

I am filing herewith, together with my veto and disapproval, Senate Bill No. 191. Under this Bill, voluntary associations of seven or more persons can be organized to write insurance against loss to growing crops from practically all known causes; such as, storms, rains, drouths, boll worms, boll weevils, insects, freezes, and almost any other cause, real or imaginary, that might blight growing crops. Under this Bill this proposed voluntary association is to be organized "without capital stock" and without any kind of financial backing. The representatives of this association could go throughout Texas writing insurance on growing crops. Forty percent of the money paid in by the farmers for insurance, the Bill provides, should go to "running expenses". This would leave Sixty percent of what the farmers paid in to be distributed as a benefit fund for the policy holders. The agents of this voluntary association in going out among the people to write this insurance, could well represent that they had a "permit from the State" to write this insurance, and would in this way leave the impression that the State was behind the enterprise, when, as a matter of fact, there would not be a single dollar to be used for paying insurance except sixty percent of what the farmers who desired to be insured had themselves paid into this association. It is my opinion

that the State should not lend its sovereign name as a means of illicit-
ing the confidence of the farmers in an association which, because of the
basis on which it is organized, could not possibly offer any real, sub-
stantial protection. This Bill offers opportunities for persons to or-
ganize associations in keeping with the provisions of this measure, and
thereby make a large income at the expense of those whom it insured, with-
out offering any substantial benefit in return. Therefore, this Bill is
hereby disapproved and vetoed.

Respectfully,



Governor